Supreme Court, U.S.
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No. 99-1236

IN THE
SUPREME COURT OF THE UNITED STATES

HYDRECLAIM CORPORATION,

Petitioner,

v.

PROCESS CONTROL CORPORATION,

Respondent.

On Petition for a Writ of Certiorari to the United States Court of Appeals for the Federal Circuit

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PETITIONER'S REPLY MEMORANDUM

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INTRODUCTION

In its Opposition Brief, Process Control Corporation ("Process Control") re-frames and misstates the question presented in this case. The issue for decision here is whether the Federal Circuit must consider the written description in a patent specification when construing the meaning of the patent claims. The issue here is not whether the Federal Circuit correctly read in isolation the claims in this patent.

The problem with the Federal Circuit's exclusive focus on the language of the patent claims is clearly demonstrated in this record where:

- HydReclaim's patent can be understood if the written description in the specification is used as an *interpretive aid* to determine what the claims mean, what the United States Patent and Trademark Office understood the claims to mean, and what the inventor invented;
- The district court used the written description to determine that this patent, as issued by the United States Patent and Trademark Office, has only one possible meaning, that Process Control understood that meaning, and that Process Control nevertheless willfully infringed the patent; and
- The Federal Circuit ignored the teaching of the written description in the patent's specification, performed a mechanical reading of the language of the claims only, and concluded that the United States Patent and Trademark Office granted a patent for a device that makes no sense.

HydReclaim requests that the court take this opportunity to clarify the relationship between a patent's written description and a patent's claims in light of *Markman v. Westview Instruments, Inc.*, 517 U.S. 370 (1996).

ARGUMENTS IN REPLY

I. THE ISSUE FOR THIS COURT IS THE *PROCESS* BY WHICH COURTS INTERPRET PATENTS

The Federal Circuit clearly acknowledged the existence of the written description in the specification of the '943 Patent. The problem, however, is that the Federal Circuit demoted the written description to secondary evidence of meaning, to be referred to only if the claim language is "ambiguous." This violates the patentee's constitutional patent rights and flies in the face of Section 112 of the Patent Act, 35 U.S.C. § 112, ¶¶ 1, 2.

As explained in HydReclaim's petition (and as the District Court found and one judge on the Federal Circuit postulated at oral argument), there is no doubt about what HydReclaim's invention is once the specification's written description is read. After hearing evidence on this issue, the District Court concluded that the claims of the patent could be construed in a manner that would preserve the inventor's invention, consistent with the presumption of validity that attaches to the patent upon its issuance by the PTO. (App. at A33-A34). The District Court also concluded that anyone who reads the entire patent – including the patent examiner, Process Control, and others skilled in the art – can understand what the claims mean. (App. at A33-A34 & A60-A64).

Process Control seeks to recast this case in terms of the construction of this particular patent, asserting that "[t]he particular issue resolved by the Federal Circuit, and now before this Court, is the construction or interpretation to be given these claims," (Opposition Brief at 5), and that "HydReclaim seeks to have this Court exercise *de novo* review of the Federal Circuit's *de novo* review of the construction of the claims of the '943 patent-in-suit." (Opposition Brief at 9). Process Control then walks through various cannons of construction in an attempt to justify an

interpretation of the patent claims that ignores the written description in the specification and finds the claims to violate the laws of physics.

The real issue presented to this Court, however, is much less complex but is much more fundamental to the *process* by which the Federal Circuit is to construe the claims of any patent -- if the patent can be understood by referring to the description in the specification, courts must do so.

In applying the various cannons of construction, the law presumes that the PTO does not issue nonsensical patents, and commands that the fruits of an inventor's labors not be destroyed on technicalities if the patent, taken as a whole, makes sense. Thus, the various tenets of construction cited in the Opposition Brief have always been subservient to the presumption that the PTO does not issue facially invalid patents. *See*, *Genetech, Inc. v. Wellcome Foundation, Ltd.*, 29 F.3d 1555, 1563 (Fed. Cir. 1994) (where "there are at least four possible definitions of the [claim term] set forth in the specification," courts must "avoid those definitions upon which the PTO could not reasonably have relied when it issued the patent."); *see also Pitney Bowes, Inc. v. Hewlett-Packard Co.*, 182 F.3d 1298, 1311 (Fed. Cir. 1999) ("[W]e have also recognized that a patent's written description can set forth more than one definition of a claim term. Parsing the written description, in the context of the prosecution history, puts the reader on notice that the term 'spot' has different meanings in the written description depending on its context.").

The Federal Circuit's approach in this case now elevates the "plain language" of the claims to a point that is irreconcilable either with the traditional process of construing a patent or with the presumption of validity that attaches to a duly-issued patent. Claim language must be read in conjunction with the specification's written description and in light of the presumption of validity, and, in doing so, courts must preserve the patentee's invention where possible. *See*, *e.g.*, *Vitronics Corp. v. Conceptronic,*

Inc., 90 F.3d 1576, 1583 (Fed Cir. 1996); *Modine Mfg. Co. v. U.S. Int'l Trade Comm'n,* 75 F.3d 1545, 1550 (Fed Cir. 1996).

II. THE FEDERAL CIRCUIT'S HYPER-TECHNICAL APPROACH LED THE FEDERAL CIRCUIT TO INVALIDATE HYDRECLAIM'S PATENT ON GROUNDS THAT WERE NOT RAISED BY THE PARTIES IN THE DISTRICT COURT OR ON APPEAL

The Federal Circuit used its *de novo* review to invalidate a patent based on nothing more than a reading of the claim language, without giving the patentee an opportunity to present evidence in response to the Court's theory of invalidity. The question of whether this unfairly denies the patentee the opportunity to provide evidence on such issues currently is the subject of division within the Federal Circuit, as demonstrated by the dissenting opinions in the en banc decision in *Cybor Corp. v. FAS Techs., Inc.*, 138 F.3d 1448 (Fed. Cir. 1998).[1]

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[1] *Compare* 138 F.3d at 1455 (Opinion of the Court) ("[W]e review claim construction de novo on appeal including any allegedly fact-based questions relating to claim construction. Accordingly, we today disavow any language in previous opinions of this court that holds, purports to hold, states, or suggests anything to the contrary") *with* 138 F.3d at 1475 (Rader, J., dissenting) ("[T]he en banc opinion has sub silentio redefined the claim construction inquiry as 'how a lawyer or judge would interpret the term.'") *and* 138 F.3d at 1479-80 (Newman, J., joined by Mayer, J., "additional views") ("Most of the shortfalls between expectation and reality arise from the manner of implementation of our de novo authority for claim interpretation. . . . By continuing the fiction that there are no facts to be found in claim interpretation, we confound rather than ease the litigation

Since the Federal Circuit is the only intermediate appellate court vested with jurisdiction to hear patent cases, a true "conflict of law" is not generally possible. (*Cf.* Opposition Brief at 9). In this instance, however, a split of opinion exists among the Federal Circuit judges. *Id.* Moreover, the en banc pronouncement in *Cybor* regarding de novo construction has not been implemented uniformly by subsequent panel decisions. *See, e.g., Finnigan Corp. v. Int'l Trade Comm'n*, 180 F.3d 1354, 1363 (Fed. Cir. 1999) ("While *Cybor* confirmed this court's ability to review claim construction de novo, it does not require us to effectively retry claim construction de novo by consideration of novel arguments not first presented to the tribunal whose decision is on review."). Thus, this Court should also clarify the appropriate level of deference to be given to the District Court's fact findings when the Federal Circuit construes the meaning of a patent.

Finally, in this case the Federal Circuit reached a conclusion of invalidity based on a theory that was not argued by either party and on which the patentee was never permitted to submit proof. No party argued that the '943 Patent had no utility or was non-enabling. Indeed, both parties argued the opposite – that the claims described a workable, meaningful invention (the dispute was simply that Process Control argued the invention is different than what HydReclaim believes it to be). As noted in HydReclaim's Petition for Certiorari, the denial of an opportunity to present evidence with respect to the utility and enablement of Claim 7 of the '943 Patent is especially clear.

The Federal Circuit has taken this Court's *Markman* directive and eroded the fundamental right of a patentee to present evidence in support of the validity of its duly-issued patent – a right that is grounded in Article 1, section 8, clause 8 of the United States Constitution, as well as the

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process. Without doubt, factual disputes arise and must be resolved in order to interpret the claims.").

Fifth Amendment guarantee of due process of law. Thus, this case presents clear and serious issues of process on which this Court's guidance is essential.

CONCLUSION

For the foregoing reasons, Petitioner respectfully requests that the Court grant certiorari in this case.

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